

CAPITAL PROJECTS POLICY

1. Capital Project Approval Authority
 - a. The Chief Executive Officer shall submit to the Board of Directors at the time he/she submits the Budget a proposed capital budget that identifies all capital projects, their scope and amount for the Budget approval.
2. The Chief Executive Officer, in the preparation of the capital budget, shall evaluate all Capital projects based upon, but not limited to, the following criteria:
 - a. The benefit to the Authority, including the effect on future operating costs and revenues;
 - b. The effect on operations and reliability;
 - c. The life of the asset;
 - d. The total project costs and schedule for completion;
 - e. The consequences of not funding the Capital project;
 - f. The sources of funding;
 - g. The ongoing impact to the operational budget.
3. Only those operating, administrative, maintenance and interest expenses incurred prior to actual completion of the capital improvement shall be included in the capital budget. After completion of the capital project, such costs shall be included in the operating budget.
4. The Chief Executive Officer shall provide to the Board of Directors a semi-annual Capital Projects Report during the mid-year review, describing the status of ongoing capital projects.